

IRS News Release

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IRS Issues Spring 2007 Statistics of Income Bulletin

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WASHINGTON — The Internal Revenue Service today announced the release of the spring 2007 issue of the Statistics of Income Bulletin. Highlights include articles on high-income individual income tax returns, taxpayers reporting noncash contributions, farm proprietorship returns, qualified zone academy bonds, international boycott reports and S corporations.

The article on farm proprietorship returns is the first published by IRS in more than 20 years. In addition, this issue of the Bulletin presents selected tax year 1990-2004 individual income tax return data that have been indexed for inflation and tax year 2005 individual income tax return statistics classified by state and size of adjusted gross income.

For tax year 2004, there were 3,021,435 individual income tax returns filed with adjusted gross income (AGI) of \$200,000 or more and 3,067,602 returns with expanded income of \$200,000 or more.

The Bulletin also contains articles with the following information:

- For tax year 2004, there were 25.3 million individual taxpayers who itemized deductions and reported a deduction for noncash charitable contributions. Those taxpayers reported \$43.4 billion in deductions for these noncash contributions. Individuals whose total noncash charitable deductions on Schedule A, Itemized Deductions, exceed \$500 are required to report these donations in detail on Form 8283, Noncash Charitable Contributions. For 2004, a total of 6.6 million individuals, representing a little more than a quarter of those who reported noncash charitable contributions, filed Form 8283. These individuals reported noncash contributions valued at almost \$37.2 billion, or nearly 86 percent of all noncash contributions.
- The number of farm proprietorship returns declined between tax years 1998 and 2004, with the majority of farm proprietorship returns showing a farm net loss. For tax year 2004, some 1.4 million farm proprietorship returns, or 70 percent of the total, had a farm net loss. Gross farm income reported on sole proprietorship returns totaled \$93.3 billion for tax year 1998 and increased 8.3 percent to \$101.0 billion in 2004. Total farm expenses grew even more during this period, by 12.9 percent, from \$101.2 billion in 1998 to \$114.3 billion in 2004.

- The Qualified Zone Academy Bond (QZAB) program has authorized the issuance of \$400 million in principal amount of tax credit bonds by the United States and its territories in each year from 1998 through 2007. QZAB credits claimed by qualified financial institutions in tax year 2004 totaled \$117.5 million, based on total reported QZAB principal holdings of \$1.6 billion. Total authorized issuance between 1998 and 2003 was \$2.4 billion. No state issued its full allocation of QZAB credits during this period, although Vermont and Michigan issued more than 90 percent of their allocations. By year of issuance, the reported principal of QZAB issuance rose from \$90.7 million in 1998-1999 to a peak of \$766.3 million in 2001, after which it fell again to \$91.0 million in 2003-2004.
- For tax year 2003, some 1,268 taxpayers filed Form 5713, International Boycott Report; of these, 124 reported receiving boycott requests, and 36 agreed to participate in a boycott. There were 41 taxpayers who lost a portion of their tax benefits as a result of their participation in a boycott or because they had operations in a boycotting country and claimed the extraterritorial income exclusion. Similarly, 1,343 Forms 5713 were filed for tax year 2004; of these, 131 taxpayers reported boycott requests, 45 agreed to participate, and 46 taxpayers reported tax consequences. For both years, the percentage of filers who lost tax benefits was approximately 3 percent.
- The final Bulletin article takes a look at the dominance of the wholesale and retail trade division among S corporations since 1959. For tax year 2004, some 45 years after the creation of S corporations, wholesale and retail represented the largest portion of total receipts, total deductions, portfolio income, total net income (less deficit) and total assets.

The Bulletin includes historical data on income, deductions and tax reported on returns filed by individuals, corporations and unincorporated businesses, with selected data presented for estates. Statistics are also presented on tax collections, including excise taxes by type and refunds for recent years.

The Statistics of Income Bulletin is available from the Superintendent of Documents, U.S. Government Printing Office, P.O. Box 371954, Pittsburgh, PA 15250-7954. The annual subscription rate is \$53 (\$74.20 foreign), single issues cost \$39 (\$48.75 foreign). For more information about these data, write the Director, Statistics of Income (SOI) Division, RAS:S, Internal Revenue Service, P.O. Box 2608, Washington, DC 20013-2608; call SOI's Statistical Information Services at (202) 874-0410; or fax, (202) 874-0964. To access the spring 2007 issue of the Statistics of Income Bulletin, visit the IRS Web site www.irs.gov and click on "Tax Stats" in the upper left-hand corner. From the Tax Stats page, select "SOI Bulletins" under "Products, Publications, & Papers."